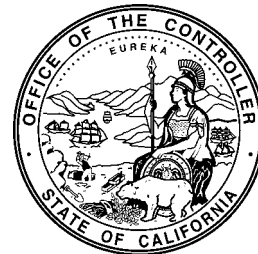


Steve Westly California State Controller



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State Controller Westly's Office and High Tech Crime Fighters Slam Counterfeit Scheme

Sacramento, September 4, 2003 – An investigation launched by State Controller Steve Westly's Office has resulted in the arrest of two suspects in a \$4.4 million counterfeit scheme. The case involved counterfeit money orders another individual was attempting to cash at the State Controller's Office, which led investigators to the two suspects. Both suspects were charged with conspiracy, forgery, passing counterfeit negotiable instruments, and attempted grand theft.

"The Controller's Office will not tolerate fraud against the State and our investigators are trained to detect even the most sophisticated schemes," stated Controller Westly. "We will use every means available to us to ensure the safety of the taxpayers' money."

The case began when a man tried to pass counterfeit Security Pacific international money orders through the Controller's Unclaimed Property Division. The Controller's Investigation Unit spotted the fraud and detained the suspect. He then cooperated with law enforcement and led investigators to suspects Biljana Beran and Vladamir Jacovina who operated an art gallery in La Jolla. Working with investigators, he then attempted to purchase \$4.4 million worth of counterfeit money orders from Beran and Jacovina in exchange for a \$500,000 personal check.

Investigators arrested Beran and Jacovina and found 2,223 counterfeit money orders inside the art gallery totaling \$4.4 million. Both suspects were arrested on August 28, 2003, by a State Controller's Office investigator.

The State Controller's Office investigators discovered the crime and worked with agents from the Sacramento Valley Hi-Tech Crimes Task Force, as well as the San Diego Computer and Technology Crime Hi-Tech Response Team (CATCH Team), and the San Diego County District Attorney's Office to bring the case to justice.

"The State's special investigators are sharing their expertise through the task force to expose crimes like this and crack down on fraud," said Captain Wayne H. Ikeuchi of the Sacramento Valley Hi-Tech Crimes Task Force.

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